

Agriculture

so fast in this country. The figures on the cost of interest on indebtedness are good indications of the problem. In 1978 in Ontario the cost of interest was \$253 million. By 1979 it had increased to \$374 million, which was a 48 per cent jump in the cost of indebtedness. Debt charges rose last year to \$465 million, which was an increase of another 24 per cent over the previous year. Over all there has been an 83 per cent increase in the amount of indebtedness and debt charges on indebtedness in the last two years. This year when interest rates really took off, we can imagine that the cost of borrowing to the farmer will be something in excess of \$600 million. That is equivalent to the total net income for 1980. There is a very serious problem here.

I listened to the Minister of Agriculture (Mr. Whelan) as he travelled around the province expressing what I do not doubt for a moment is his genuine concern. But there comes a time when an expression of concern is no longer enough. There comes a time when people expect results. They do not expect a further pat on the back with a vague promise of help in the future. They expect to see some tangible results from the efforts of the minister. Today they want to see some government commitment. They do not want to hear a statement by the minister that he will try or quit. They want a government commitment that it recognizes the value of the farming community to the future of the country and that it is prepared to take the steps necessary to ensure that the costs I have just enumerated and the burden about which we have been speaking will no longer have to be borne by this vital sector.

Let us look at the problems. For example, in Ontario 112 farmers went bankrupt to the end of September this year. This figure compares with only 15 farmers in the province of Saskatchewan. The difference is in the nature of government. The government of Saskatchewan put in place measures to assist farmers, while the government of Ontario failed in its obligation to protect farmers in areas where protection could be undertaken. The problem is neglect not only by the federal government but in many instances by provincial governments as well.

There are some measures which must be taken by the Government of Canada, and they must be taken now. Perhaps a week or two ago—and we have said this for the last seven or eight months—we said that some action had to be taken to assist home owners. I think the message has gotten through, but I am not sure whether the answer is forthcoming. Certainly the message is that home owners in Canada are not prepared to accept the piecemeal policy the government has offered over the past. They will not tolerate being left at the mercy of Canadian banking institutions. The federal government had an opportunity to play a role in the Farm Credit Corporation, but it has not lived up to its obligation.

The Conservative member who spoke previously said that it was not the only answer. Of course it is not. No one expected it to be the only answer. It is a sad commentary when the month of September arrives that the Farm Credit Corporation does not have any money in the province of Ontario to meet the needs of Ontario farmers when they apply for loans. It is even

more of an indictment on the government that, at a time when farmers are undertaking a debt load far greater than they could ever be expected to recover from the marketplace, the government has approved an increase in the interest rate of the Farm Credit Corporation to 16.75 per cent.

I do not doubt for a moment that there is some element of truth in the rumours circulating on Parliament Hill that the Minister of Agriculture will certainly quit if his own government does not respond.

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member but his allotted time has expired.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the motion put forward by the official opposition alleges in the form of an argument that the government has failed to support Canadian farmers. I think it is about as far off the mark as any comment could be. It would be fair to say that no government in Canada has ever provided the kind of support to the entire agri-food industry which has been given during my term as Minister of Agriculture.

Some hon. Members: Hear, hear!

Mr. Whelan: It would be remiss of me to go over all the things we have done for agriculture since 1972, but I will try to put a few on record. Under this government the Agricultural Stabilization Act has been amended to increase the percentage of pay-out when prices fall below the five-year average and to bring more commodities under the stabilization program.

The hon. member who led off the discussion today told us to provide leadership. A former member of this House who was also a former minister of agriculture for the province of Alberta stated the same thing in a report that he was commissioned to bring forward by the province of Alberta on the subject of beef marketing and some other aspects of agriculture in that province. I refer to Dr. Hugh Horner. He said that we failed to give leadership and he spoke about more money for stabilization, as did the hon. member who just spoke for the New Democratic Party.

● (1600)

In 1977 we proposed and got cabinet approval to present 100 per cent harmonization of stabilization to the provinces and farm organizations. That is 100 per cent of cost of production. We were turned down on the grounds that it was a wild dream of mine to provide that kind of program and that kind of income. They felt it would cause an oversupply of products in Canada. They did not think it was needed in agriculture so they turned it down. We could see that, Mr. Speaker. I do not think you have to be a great economist to see it. A blind man on a galloping horse could see some of the things that were going to happen in some agriculture industries. I think particularly of the red meat industry where there is a big problem today. I see the hon. member for Medicine Hat (Mr. Hargrave) in the House and I am sure he will cover that subject in detail when he speaks.